

**NATCHITOCHES PARISH
TOURIST COMMISSION
NATCHITOCHES, LA**

**FINANCIAL REPORT
DECEMBER 31, 2011**

Natchitoches Parish Tourist Commission
Financial Report
December 31, 2011

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NATCHITOCHES PARISH TOURIST COMMISSION

NATCHITOCHES, LOUISIANA

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section of the Natchitoches Parish Tourist Commission's (hereafter referred to as the Commission) annual financial report presents an overview and analysis of the Commission's financial activities for the year ended December 31, 2011. The intent of the MD&A is to look at the Commission's financial performance as a whole. It should, therefore be read in conjunction with this report. Certain comparative information is presented to provide an overview of the Commission's operations.

Financial Highlights

This annual report consists of a series of financial statements. The Statement of Net Assets and the Statement of Activities provide information about the activities of the Commission as a whole and presents a longer-term view of the Commission's finances. These statements tell how these services were financed in the short-term as well as what remains for future spending.

Government-Wide Financial Statements

- The Statement of Net Assets presents all of the Commission's assets and liabilities, with the difference between the two reported as "net assets". Over time, increases or decreases in the Commission's net assets may serve as a useful indicator of whether the financial position of the Commission is improving or deteriorating.
- The Statement of Activities presents information showing how the Commission's net assets changed during the current year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of the related cash flows. Therefore, some revenues and some expenses that are reported in this statement will not result in cash flows until future years.

Fund Financial Statements

The services provided by the Commission are financed through a governmental fund. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Commission, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The Commission conducts its day-to-day operations through a governmental fund, the General Fund. These statements provide a short-term view of the Commission's finances and assists in determining whether there will be adequate financial resources available to meet the current needs of the Commission.

A summary of the basic government-wide financial statements is as follows:

Summary of Statement of Net Assets

	<u>2011</u>	<u>2010</u>
ASSETS:		
Assets	\$296,259	\$282,184
Capital Assets, Net of Accumulated Depreciation	<u>829</u>	<u>5,921</u>
Total Assets	<u>\$297,088</u>	<u>\$288,105</u>
LIABILITIES:		
Accounts Payable	\$ 13,604	\$ 362
Compensated Absences	<u>8,397</u>	<u>5,969</u>
Total Liabilities	<u>\$ 22,001</u>	<u>\$ 6,331</u>
NET ASSETS:		
Invested in Capital Assets	\$ 829	\$ 5,921
Unrestricted	<u>274,258</u>	<u>275,853</u>
Total Net Assets	<u>\$275,087</u>	<u>\$281,774</u>

Summary of Statement of Activities

	<u>2011</u>	<u>2010</u>
REVENUES:		
General Revenues-		
Taxes	\$455,346	\$492,775
Intergovernmental	137,565	151,990
Other	<u>2,233</u>	<u>1,603</u>
Total Revenues	\$595,144	\$646,368
EXPENSES:		
General and Administration	<u>601,831</u>	<u>566,491</u>
Change in Net Assets	\$ <u>(6,687)</u>	\$ <u>79,877</u>

- The Commission's assets exceeded its liabilities by \$275,087 (net assets) for the year. This is a decrease of \$6,687 over prior year.
- Unrestricted net assets of \$274,258 represent the portion available to maintain the Commission's obligation to both citizens and creditors. For prior year, this was \$275,853.

General Fund Budgetary Highlights

The actual revenues were \$83,644 over the budgeted amount for the year. This was a result of increased Hotel/Motel Tax Collections. Actual expenses were less than the budgeted amount by \$5,689.

Economic Factors and Next Year's Budget

The primary revenue source for the Commission is Hotel/Motel Tax collected in the parish. This type of tax is subject to changes in the economy in the short-term. After considering many different areas, it was decided that the budget for FY 2012 should not change significantly from the FY 2011 budget.

Contacting the Tourist Commission

This financial report is designed to provide our citizens, taxpayers, and creditors with a general overview of the Commission's finances and to show the Commission's accountability for the money it receives. Any questions about this report or requests for additional information may be directed to the Commission at 781 Front Street, Natchitoches, LA 71457

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
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INDEPENDENT AUDITOR'S REPORT

Natchitoches Parish Tourist Commission
781 Front Street
Natchitoches, LA 71457

We have audited the accompanying financial statements of the governmental activities and the major fund of the Natchitoches Parish Tourist Commission (Commission), a component unit of the Natchitoches Parish Police Jury, as of and for the year ended December 31, 2011, which collectively comprise the Commission's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Commission's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and the *Louisiana Governmental Audit Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Commission, as of December 31, 2011, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 27, 2012, on our consideration of the Commission's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 4 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the management's discussion and analysis in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. However, the introductory section has not been subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Commission's financial statements as a whole. The budgetary comparison listed as other required supplemental information in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The budgetary comparison statement is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Johnson, Thomas & Cunningham, CPA's
Johnson, Thomas & Cunningham, CPA's

June 27, 2012
Natchitoches, Louisiana

BASIC FINANCIAL STATEMENTS

GOVERNMENT-WIDE
FINANCIAL STATEMENTS

Natchitoches Parish Tourist Commission
Statement of Net Assets
December 31, 2011

	Governmental Activities
ASSETS:	
Current Assets-	
Cash & Cash Equivalents	\$224,133
Revenue Receivable	<u>72,126</u>
Total Current Assets	\$296,259
Non-current Assets-	
Capital Assets (Net)	<u>829</u>
Total Assets	<u>\$297,088</u>
LIABILITIES:	
Current-	
Accounts Payable	\$ 13,604
Noncurrent-	
Accrued Compensated Absences	<u>8,397</u>
Total Liabilities	<u>\$ 22,001</u>
NET ASSETS:	
Invested in Capital Assets	\$ 829
Unrestricted	<u>274,258</u>
Total Net Assets	<u>\$275,087</u>

The accompanying notes are an integral part of this statement.

Natchitoches Parish Tourist Commission
Statement of Activities
December 31, 2011

<u>Activities</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Assets Government Activities</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Governmental Activities:				
Culture & Tourism	<u>\$601,831</u>	<u>\$0</u>	<u>\$137,565</u>	<u>\$(464,266)</u>
General Revenues:				
Taxes-Hotel/Motel				\$ 455,346
Other				<u>2,233</u>
Total General Revenues				<u>\$ 457,579</u>
Change in Net Assets				\$ (6,687)
Net Assets January 1, 2011				<u>281,774</u>
Net Assets December 31, 2011				<u>\$ 275,087</u>

The accompanying notes are an integral part of this statement.

FUND FINANCIAL STATEMENTS

Natchitoches Parish Tourist Commission
Balance Sheet-Governmental Fund
December 31, 2011

Assets:

Cash & Cash Equivalents	\$224,133
Revenue Receivable	<u>72,126</u>
Total Assets	<u>\$296,259</u>

Liabilities:

Accounts Payable	\$ 13,604
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Fund Balance:

Unassigned	<u>282,655</u>
Total Liabilities and Fund Balance	<u>\$296,259</u>

The accompanying notes are an integral part of this statement.

Natchitoches Parish Tourist Commission
Reconciliation of the Governmental Fund
Balance Sheet to the Statement of Net Assets
December 31, 2011

Total Governmental Fund Balance at December 31, 2011	\$282,655
Amount reported for Governmental Activities in the Statement of Net Assets is different because:	
Capital Assets used in Governmental Activities are not financial resources and, therefore, are not reported in the Funds-	
Furniture, Fixtures and Equipment	27,835
Vehicle	18,850
Less: Accumulated Depreciation	(45,856)
Long-Term Liabilities are not due and payable in the current period and therefore are not reported in the Funds	
Compensated Absences	<u>(8,397)</u>
Total Net Assets of Governmental Activities at December 31, 2011	<u>\$275,087</u>

The accompanying notes are an integral part of this statement.

Natchitoches Parish Tourist Commission
Statement of Revenues, Expenditures and Changes in Fund Balance-
Governmental Fund
Year Ended December 31, 2011

REVENUES:	
Hotel/Motel Tax	\$455,346
Intergovernmental	137,565
Interest & Other	<u>2,233</u>
Total Revenues	<u>\$595,144</u>
EXPENDITURES:	
General Government-	
Advertising/Promotion	\$296,678
Audit	6,000
Building Repair & Maintenance	1,984
Landscaping	25,000
Computer Programs/Service	1,512
Dues & Subscriptions	3,584
Maintenance/Rental Equipment	6,774
Hospitality	1,882
Insurance Contents/Liability	2,398
Storage/Lease	10,994
Office Supplies & Printing	4,935
Postage	7,777
Telephone	5,676
Utilities	4,289
Vehicle Repair & Maintenance	321
Salaries & Benefits	<u>214,507</u>
Total Expenditures	<u>\$594,311</u>
Excess of Revenues over Expenditures	\$ 833
Fund Balance-Beginning of Year	<u>281,822</u>
Fund Balance-End of Year	<u>\$282,655</u>

The accompanying notes are an integral part of this statement.

Natchitoches Parish Tourist Commission
Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balance of the Governmental Fund
to the Statement of Activities
for the Year Ended December 31, 2011

Net Change in Fund Balance-Governmental Funds \$ 833

Amounts reported for Governmental Activities in
the Statement of Activities are different because:

Governmental Funds report capital outlays as
expenditures. However, in the Statement of
Activities, the cost of these assets is allocated over
their estimated useful lives as depreciation expense.
There were no capital outlays in current year.

Depreciation Expense (5,092)

Increases in Long-term Debt are reflected as an increase
in expenses on the Statement of Activities, but are not
reported in the Governmental Funds.

Accrued Compensated Absences (2,428)

Change in Net Assets of Governmental Activities \$(6,687)

The accompanying notes are an integral part of this statement.

NOTES TO FINANCIAL STATEMENTS

Natchitoches Parish Tourist Commission
Notes to Financial Statements
December 31, 2011

1. Introduction:

The Natchitoches Parish Tourist Commission, Natchitoches, Louisiana, was created by an ordinance of the Natchitoches Parish Police Jury on July 21, 1976. The purpose of the Commission is to promote tourism in the parish. The Tourist Commission is governed by a Board of Commissioners consisting of seven members who are approved by the Police Jury. The Commission is financed mainly by a Hotel/Motel tax levied within the parish.

2. Summary of Significant Accounting Policies:

The accounting and reporting policies of Natchitoches Tourist Commission conform to generally accepted accounting principles as applicable to governmental units. Such accounting and reporting policies also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*.

A. Reporting Entity-

As the governing authority of the Parish, for reporting purposes, the Natchitoches Parish Police Jury is the financial reporting entity for Natchitoches Parish. The financial reporting entity consists of (a) the primary government (police jury), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the Natchitoches Parish Police Jury for financial reporting purposes. The basic criteria for including a potential component unit within the reporting entity is financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body and
 - a. The ability of the police jury to impose its will on that organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the police jury.
2. Organizations for which the police jury does not appoint a voting majority but are fiscally dependent on the police jury.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Natchitoches Parish Tourist Commission
Notes to Financial Statements
December 31, 2011

Because the police jury created by ordinance the Tourist Commission, the Commission was determined to be a component unit of the Natchitoches Parish Police Jury, the financial reporting entity. The accompanying financial statements present information only on the funds maintained by the Commission and do not present information on the police jury, the general government services provided by that governmental unit, or the other governmental units that comprise the financial reporting entity.

B. Basis of Presentation-

Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and Statement of Activities report information about the reporting government as a whole. They include all funds of the reporting entity. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange revenues.

The Statement of Activities presents a comparison between direct expenses and program revenues for each function of the Commission's governmental activities. Direct expenses are those that are specifically associated with a program or function. Program revenues include (a) fees and charges paid by the recipient for goods or services offered by the program, and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

C. Fund Accounting-

The accounts of the Commission are organized on the basis of funds. A fund is an independent fiscal and accounting entity with a separate set of self-balancing accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds maintained is consistent with legal and managerial requirements.

The Commission maintains only one fund. It is categorized as a governmental fund. The emphasis on fund financial statements is on major governmental and enterprise funds; each displayed in a separate column. A fund is considered major if it is the primary operating fund of the entity.

Natchitoches Parish Tourist Commission
Notes to Financial Statements
December 31, 2011

The major fund of the Commission is described below:

Governmental Fund-

General Fund

The General Fund is the general operating fund of the Commission. It is used to account for all financial resources except those required to be accounted for in another fund.

D. Measurement Focus/Basis of Accounting-

Basis of accounting refers to when revenues or expenditures/expenses are recognized in the accounts and reported in the financial statements. It relates to the timing of the measurements made regardless of the measurement focus applied.

Accrual Basis - Government-Wide Financial Statements (GWFS)

The Statement of Net Assets and the Statement of Activities display information about the Commission as a whole. Both of these statements have been prepared using the economic measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Modified Accrual Basis - Fund Financial Statements (FFS)

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual; i.e., when they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Commission considers all revenues "available" if they are collected within 60 days after year-end. Expenditures are generally recorded under the modified accrual basis of accounting when the related liability is incurred. The exceptions to this general rule are that (1) unmatured principal and interest on long-term debt, if any, are recorded when due and (2) claims and judgments and compensated absences are recorded as expenditures when paid with expendable available financial resources.

Natchitoches Parish Tourist Commission
Notes to Financial Statements
December 31, 2011

E. Assets, Liabilities, and Equity-

Cash and Interest-Bearing Deposits-

For purposes of the Statement of Net Assets, cash and interest-bearing deposits include all demand accounts and savings accounts of the Commission.

Capital Assets-

Capital assets, which include property, plant, and equipment, are reported in the governmental activities column in the government-wide financial statements. Capital assets are capitalized at historical cost or estimated cost if historical cost is not available. Donated assets are recorded as capital assets at their estimated fair market value at the date of donation. The Commission maintains a threshold level of \$500 or more for capitalizing capital assets.

The costs of normal maintenance and repairs that do not add to the value of that asset or materially extend the life of that asset are not capitalized.

Depreciation of all exhaustible capital assets is recorded as an expense in the Statement of Activities, with accumulated depreciation reflected in the Statement of Net Assets. Depreciation is provided over the assets' estimated useful lives using the straight-line method of depreciation. The range of useful lives by type of asset is as follows:

Furniture, computers	5 years
Vehicles	5 years

In the fund financial statements, capital assets used in governmental fund operations are accounted for as capital outlay expenditures of the governmental fund upon acquisition.

Compensated Absences-

Employees earn leave (vacation) based on the years of service. The maximum number of hours that can be carried forward/paid upon separation is 300 hours.

Equity Classifications-

In the government-wide statements, equity is classified as net assets and displayed in three components:

- a. Invested in capital assets, net of related debt---Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Natchitoches Parish Tourist Commission
Notes to Financial Statements
December 31, 2011

- b. Restricted net assets---Consists of net assets with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments; or (2) law through constitutional provision or enabling legislation.
- c. Unrestricted net assets---All other net assets that do not meet the definition of “restricted” or “invested in capital assets, net of related debt”.

In the fund statements, governmental fund equity is classified as fund balance. Beginning with fiscal year 2011, the Commission implemented GASB Statement 54 “Fund Balance Reporting and Governmental Fund Type Definitions”. This Statement provides more clearly defined fund balance categories to make the nature and extent of the constraints placed on a government’s fund balance more transparent. The following classifications describe the relative strength of the spending constraints placed on the purposes for which resources can be used:

- a. Nonspendable fund balance---amounts that are not in a spendable form (such as prepaid expenses) or are required to be maintained intact;
- b. Restricted fund balance---amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- c. Committed fund balance---amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest level action to remove or change the constraint;
- d. Assigned fund balance---amounts a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority;
- e. Unassigned fund balance---amounts that are available for any purpose; positive amounts are reported only in the general fund.

The General Fund, the Commission’s only governmental fund, has an unassigned fund balance.

F. Estimates-

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues, expenditures and expenses during the reporting period. Actual results could differ from those estimates.

Natchitoches Parish Tourist Commission
Notes to Financial Statements
December 31, 2011

G. Budget-

Prior to the beginning of each fiscal year, the Natchitoches Tourist Commission adopts a budget for the next fiscal year. The budget is open for public inspection. All budgetary appropriations lapse at the end of the fiscal year. The budget is prepared on the modified accrual basis of accounting.

3. Cash and Cash Equivalents:

For reporting purposes, cash and cash equivalents include cash demand deposits, time deposits, and certificates of deposit. At December 31, 2011, the Commission had cash and cash equivalents (collected bank balances) totaling \$274,216. Cash and cash equivalents are stated at cost, which approximates market. Under Louisiana law, these deposits must be secured by federal deposit insurance or the pledge of securities owned by the bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the bank. These pledged securities are held in the name of the pledging bank in a holding or custodial bank in the form of safekeeping receipts held by the Commission. The deposits at December 31, 2011, were fully secured by FDIC Insurance.

4. Capital Assets:

Capital asset balances and activity for the year ended December 31, 2011, is as follows:

Governmental Activities	Balance 01-01-11	Additions	Deletions	Balance 12-31-11
Capital Assets, Depreciated:				
Furniture, fixtures & equipment	\$27,835	\$ 0	\$0	\$27,835
Vehicle	18,850	0	0	18,850
Total Assets	\$46,685	\$ 0	\$0	\$46,685
Less: Accumulated Depreciation:				
Furniture, fixtures & equipment	\$40,764	\$5,092	\$0	\$45,856
Total Depreciation	\$40,764	\$5,092	\$0	\$45,856
Net Capital Assets	\$ 5,921	\$5,092	\$0	\$ 829

5. Compensation Paid to Board Members:

The members of the Board of the Commissioners receive no compensation for their services.

Natchitoches Parish Tourist Commission
Notes to Financial Statements
December 31, 2011

6. Compensated Absences:

The following is a summary of changes for the year ended December 31, 2011:

<u>Balance</u> <u>01-01-11</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>12-31-11</u>
\$5,969	\$2,428	\$0	\$8,397

7. Litigation and Claims:

Management has advised that there is no litigation pending against the Natchitoches Parish Tourist Commission.

8. Post Employment Benefits:

The Commission does not provide any post employment benefits; therefore, no disclosure for GASB 45 is required.

9. Retirement:

In January 2010, the Commission's board agreed to begin a SIMPLE IRA Retirement Plan. Full-time staff members (after 90 days of employment) qualify to participate in this program. For those employees participating in the plan, they can contribute either a percentage of their annual compensation or a specific dollar amount; neither method can exceed the maximum contribution amount set by law. The Commission will match their contribution up to 3% of the employee's annual compensation. This program will be subject to review prior to the beginning of each year. Cost to the Commission for the year ended December 31, 2011 was \$4,356.

10. Receivables:

The following is a summary of receivables at December 31, 2011:

<u>Class of Receivable</u>	
Taxes-	
Hotel/Motel Tax	\$39,074
Intergovernmental-	
State	31,052
Other	<u>2,000</u>
Total	<u>\$72,126</u>

Natchitoches Parish Tourist Commission
Notes to Financial Statements
December 31, 2011

11. Subsequent Events:

Management has evaluated events through June 27, 2012, the date which the financial statements were available for issue. There were no items to be reported as subsequent events.

OTHER REQUIRED
SUPPLEMENTAL INFORMATION

Natchitoches Parish Tourist Commission
General Fund
Budgetary Comparison Schedule
For the Year Ended December 31, 2011

	Budget			Variance- Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES:				
Hotel/Motel Tax	\$350,000	\$400,000	\$455,346	\$ 55,346
Intergovernmental	100,000	100,000	137,565	37,565
Interest	0	1,500	2,233	733
Other	<u>10,000</u>	<u>10,000</u>	<u>0</u>	<u>(10,000)</u>
Total Revenues	<u>\$460,000</u>	<u>\$511,500</u>	<u>\$595,144</u>	<u>\$ 83,644</u>
EXPENDITURES:				
Advertising/Promotion	\$266,185	\$277,685	\$296,678	\$(18,993)
Audit	5,500	5,500	6,000	(500)
Automobile Insurance	2,315	2,315	1,609	706
Building Repair & Maintenance	1,500	1,500	1,480	20
Landscaping	12,500	25,000	25,000	0
Computer Programs/Service	1,500	1,500	1,512	(12)
Dues & Subscriptions	4,000	4,000	3,584	416
Maintenance/Rental Equipment	7,500	7,500	6,774	726
Hospitality	1,500	1,500	1,882	(382)
Insurance Contents/Liability	1,100	1,100	789	311
Storage/Lease	1,700	10,954	10,994	(40)
Office Renovations	3,500	0	0	0
Office Supplies & Printing	5,000	5,296	4,935	361
Postage	6,500	6,500	7,777	(1,277)
Security Alarm	600	600	504	96
Telephone	5,000	5,000	5,676	(676)
Utilities	3,000	3,000	4,289	(1,289)
Vehicle Repair & Maintenance	1,500	1,500	321	1,179
Other	0	19,950	0	19,950
Salaries & Benefits	<u>219,600</u>	<u>219,600</u>	<u>214,507</u>	<u>5,093</u>
Total Expenditures	<u>\$550,000</u>	<u>\$600,000</u>	<u>\$594,311</u>	<u>\$ 5,689</u>
Excess (Deficiency) of Revenues over Expenditures	\$ (90,000)	\$ (88,500)	\$ 833	\$ 89,333
Fund Balance-Beginning of Year	<u>281,822</u>	<u>281,822</u>	<u>281,822</u>	<u>0</u>
Fund Balance-End of Year	<u>\$191,822</u>	<u>\$193,322</u>	<u>\$283,192</u>	<u>\$ 89,333</u>

The accompanying notes are an integral part of this statement.

Johnson, Thomas & Cunningham

Certified Public Accountants

Eddie G. Johnson, CPA – A Professional Corporation (1927-1996)

Mark D. Thomas, CPA – A Professional Corporation
Roger M. Cunningham, CPA – A Professional Corporation
Jessica H. Broadway, CPA – A Professional Corporation
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REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Natchitoches Parish Tourist Commission
781 Front Street
Natchitoches, LA 71457

We have audited the financial statements of the governmental activities and the major fund of the Natchitoches Parish Tourist Commission (Commission), a component unit of the Natchitoches Parish Police Jury, as of and for the year ended December 31, 2011, which collectively comprise the Commission's basic financial statements and have issued our report thereon dated June 27, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of the Commission is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Commission's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Commission's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Commission's internal control over financing reporting.

A deficiency in internal control exists when the design or operations of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies, in internal controls such that there is a reasonable possibility that a material misstatement of the Commission's financial statements will not be prevented, or detected and corrected on timely basis.

Our consideration of the internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Commission's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

The report is intended solely for the information and use of the Commission's management, the Louisiana Legislative Auditor, and interested state and federal agencies, and is not intended to be and should not be used by anyone other than these specified parties. However, under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Johnson, Thomas & Cunningham, CPA's

Johnson, Thomas & Cunningham, CPA's

June 27, 2012
Natchitoches, Louisiana

Natchitoches Parish Tourist Commission
Schedule of Audit Findings
Year Ended December 31, 2011

A. Summary of Audit Results

1. The auditor's report expresses an unqualified opinion on the financial statements of the Natchitoches Parish Tourist Commission.
2. There were no significant deficiencies noted during the audit of the financial statements.
3. No instances of noncompliance material to the financial statements of the Natchitoches Parish Tourist Commission were disclosed during the audit.

B. Financial Statements Audit

No findings.

C. Prior Year Findings

No findings.